

AG COX SUES BLUE CROSS

Fact Sheet

- Blue Cross Blue Shield of Michigan (BCBSM) and its affiliates control nearly 70% of Michigan's health insurance market.
- Public Act 350 of 1980 was amended in 1993 to allow BCBMS to obtain the State Accident Fund.
- The 1993 amendment of Act 350 prohibited subscriber funds for use other than to obtain the State Accident Fund.
- BCBSM obtained the State Accident Fund in 1994.
- Act 350 also prohibits Blue Cross from using their funds "to operate or subsidize in any way" the Accident Fund.
- November 2007 BCBSM transferred \$125 million to the Accident Fund.
- November 2007 the Accident Fund purchased CompWest Insurance Company of California for \$127 million.
- Between 2001 and 2006, BCBSM's surplus has increased from \$1.3 billion to \$2.8 billion.
- Between 2003 and 2007, BCBSM's individual rate premiums have increased 79%.
- Between 2003 and 2007, BCBSM's Group Conversion premium rates have increased 92%.